

Procedures for Annual Adjustments Decatur County

Residential

- Step 1: The land values were established by vacant land sales in the neighborhood. If no vacant land sales could be found, then they were established by allocation or abstraction from the improved sales. For 2018 the land values did not require trending except for a couple of neighborhoods. The land order was updated for Fugit, Clay and Adams Townships during this cycle of reassessment. Due to the limited amount of sales, the vacant residential land except for Fugit Twp. was grouped county wide (L1). Fugit township contains a subdivision call Lake Santee. This subdivision has properties on the lake, properties view of lake and properties off lake. The land on the lake is \$90,000 to \$150,000 per lot with some even higher. The land off the lake sells for \$500 to \$2,500 per lot; sometimes right next to each other. This is because in order to be able to use the lake, you must own land. Therefore in some cases they are not buying lots to build on, but rather to have access only. The third (view of lake) has lots that sale for \$4,000 to \$12,000 per lot; again sometimes right next to each other. This causes a problem in the ratio study because the lots range from \$500 to \$150,000. We have kept as many of the sales in that help to justify the values, but trimming of extremes had to be done as shown in reconciliation tab. Even with that – the PRD is out of range because of the difference in land values. We hope this explains why. We deal with this every year with questions from the DLGF. So we are explaining ahead of time.
- Step 2: After the land values were established, those values were added to the current improvement values and compared to the improved sale prices. A separate trending factor was then applied to the dwelling of the property to raise or lower the values to an acceptable median level. If there were no sales in the neighborhood, then consideration was given to homes for sale in the neighborhood or compared to like neighborhoods.
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Commercial / Industrial

- Step 1: The land values were established by vacant land sales – and where there were no vacant land sales abstraction or allocation methods were employed. There were 5 commercial and industrial vacant sales, mostly from the same neighborhood. The land values are being reviewed as part of the cyclical reassessment.
- The land values for rural commercial and industrial properties were established the same as the township homesite rates.
- Step 2: The values were compared to the improved sale prices. A separate trending factor was applied to the improvements of the property to raise or lower the values to an acceptable median level. Due to the limited amount of sales, the commercial and industrial properties were grouped together for the entire county. (C1)
- Step 3: The newly established trending factors were applied to all properties within that neighborhood and a sales ratio study and abstract were ran to verify the changes.

Due to the number of sales, we opened the window of sales to include 01/01/2015 through 12/31/2017 for Clinton and Marion Townships Residential; 01/01/2016 Through 12/31/2017 for residential properties in all other townships; and 01/01/2015 through 12/31/2016 for commercial and industrial. There were not enough multi-year sales to determine a time adjustment – therefore no adjustment was made to the sale prices.